

INEOS ABS

INEOS ABS (USA) Corporation

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OCT 31 2012

U.S. ENVIRONMENTAL
PROTECTION AGENCY

OFFICE OF REGIONAL
COUNSEL

October 29, 2012


Attn: Compliance Tracker, AE-17J
Air Enforcement and Compliance Assurance Branch
U.S. Environmental Protection Agency Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604

RE: Consent Decree Civil Action No. 1:09-CV-545
Effective Date February 4, 2010

Dear Sirs:

Please find attached the Quarterly Report for Second Quarter 2012. Please contact me at (513) 467-2470 or michele.smith@ineos.com if you have any questions concerning the submitted information.

Respectfully Submitted,



Michele A. Smith, P.E.
Lead Environmental Engineer
INEOS ABS (USA) Corporation

cc: M. Palmero, USEPA Region 5
T. Kalman, OEPA
G. Bachmann, Ohio AG
B. Pray (M. Kramer), SWOAQA

INEOS ABS (USA) CORPORATION'S ADDYSTON, OH PLANT
CONSENT DECREE QUARTERLY REPORT

Consent Decree Civil Action No. 1:09-CV-545

Effective Date February 4, 2010

Reporting Period: 07/01/12 – 09/30/12

I. INTRODUCTION

The following report contains the required information about INEOS ABS' compliance activities associated with the requirements in Paragraph 50 a. and 50 b. in the Consent Decree.

II. LEAK DETECTION AND REPAIR (LDAR) REPORTING OBLIGATIONS

Per Appendix A of the Consent Decree, INEOS ABS submitted the following reports to the U.S. EPA and Ohio EPA:

A. COMPLIANCE STATUS REPORTS

The First Half 2012 Compliance Status Report was submitted on July 11, 2012.

B. CORRECTIVE ACTION PLANS

The Corrective Action Plan for the 2012 external audit was completed on October 1, 2012.

C. CERTIFICATE OF COMPLIANCE

No certificate was required to be submitted during this period.

III. FLARE MONITORING INSTRUMENTS REPORTING OBLIGATIONS

Per Paragraph 23 of the Consent Decree, INEOS ABS submitted the following reports to the U.S. EPA and Ohio EPA:

- Second Quarter 2012 Monitoring report was submitted on July 8, 2012.

IV. NONCOMPLIANCE WITH CONSENT DECREE

Per Paragraph 50 b. of the Consent Decree, INEOS ABS submitted the following letters of noncompliance to the U.S. EPA and Ohio EPA:

A. LDAR Missed Monitoring – Letter Dated August 1, 2012

Eighteen pumps and seven agitators in our P047 Process Unit were not monitored in July 2012. The process unit ran the first six days of the month and shut down for maintenance reasons. No LDAR monitoring was performed these days as the LDAR Technician and Administrator were on vacation. The Process Unit was to resume operations at the end of the month. During the shutdown, it was determined that the unit would not restart in July for inventory control reasons. As the pumps and agitators were not monitored within the first six days of the month, they were not monitored in July. In addition, one agitator (#04958)

in our Process Unit P004 was not monitored in July 2012. Process Unit P004 did not operating in July 2012. However, even if a process unit is down, some of the components may still be in service as they may be used by another process unit. In July, Process Unit P015 was operating and agitator #04958 was used, but not monitored. This agitator was overlooked. Training has been completed to prevent this from occurring again.

B. LDAR Missed Retest Monitoring – Letter Dated September 24, 2012

One open-ended line (#10534) was discovered leaking on September 17th and repaired on September 19th. The component was not monitored until September 21st. This monitoring was completed within the five-day repair period, but was not completed the first business day after the repair as required in Appendix A of the Consent Decree.

C. LDAR Internal Audit – Third Quarter 2012

The LDAR program at this facility contains close to 16,000 components. We have had three third-party audits performed (Conestoga-Rovers in 2010, Environmental Quality Management in 2011, and TRC Environmental in 2012) that confirmed the LDAR inventory and resulted in the discovery of only one missed component.

Nevertheless, as we have previously disclosed, internal inspections after those audits were conducted uncovered additional components that have not been included in the LDAR inventory. Frustrated by these discoveries, we recently commissioned a comprehensive internal audit of the entire facility. This audit resulted in the discovery of several components that were not included in the LDAR Inventory. This audit started in third quarter 2012 and is still not complete. The audit will be completed within the next month and a separate letter will be sent that summarizes the findings. All components will be added to the LDAR inventory and will be monitored by the end of the year.

V. CERTIFICATION

I certify under penalty of law that I have examined and am familiar with the information in the enclosed documents, including all attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for knowingly submitting false statements and information, including the possibility of fines or imprisonment pursuant to Section 113(c)(2) of the Act, and 18 U.S.C. §§ 1001 and 1341.

Respectfully Submitted,



Eric Cassisa
Site Manager, NAFTA
INEOS ABS (USA) Corporation